

VZCZCXYZ0000
PP RUEHWEB

DE RUEHUL #0919/01 1230832
ZNY CCCCC ZZH
P 020832Z MAY 08
FM AMEMBASSY SEOUL
TO RUEHC/SECSTATE WASHDC PRIORITY 9724
INFO RUEHBJ/AMEMBASSY BEIJING 4238
RUEHMO/AMEMBASSY MOSCOW 8701
RUEHKO/AMEMBASSY TOKYO 4382
RHMFISS/COMUSFK SEOUL KOR
RHMFISS/COMUSKOREA J5 SEOUL KOR
RUACAAA/COMUSKOREA INTEL SEOUL KOR
RHEHNSC/NSC WASHINGTON DC
RHHMUNA/CDR USPACOM HONOLULU HI
RUEKJCS/SECDEF WASHINGTON DC//OSD/ISA/EAP//

C O N F I D E N T I A L SEOUL 000919

SIPDIS

SIPDIS

E.O. 12958: DECL: AFTER KOREAN REUNIFICATION
TAGS: [PGOV](#) [PREL](#) [JP](#) [KS](#) [KN](#)
SUBJECT: KOREA-JAPAN POST SUMMIT: LOOKING FORWARD BUT NOT
MOVING FORWARD

Classified By: A/POL Brian McFeeters. Reasons 1.4(b/d)

¶1. (SBU) SUMMARY: Since his inauguration in February, ROK President Lee Myung-bak has consistently said that he intends to focus on the future of relations with Japan and not dwell on past issues. Holding two summits with Japanese Prime Minister Fukuda already within his short time in office is one clear sign that President Lee is backing up his words with actions. The Ministry of Foreign Affairs and Trade's Director for Japan, Joo Joong-chul, described the April 21 Lee-Fukuda Summit as setting a favorable tone for the bilateral relationship, but the remainder of his comments conveyed the sense that the ROKG was not eager to rush forward to make changes. Instead, the ROKG would proceed cautiously on the political side both because they were unsure of Fukuda's political prospects and because of concern that Japan could say or do something about historical issues that would irritate the Korean public. On the economic side, similarly, the ROKG had resisted GOJ calls to talk about jump starting FTA negotiations in their joint statement, because ROK companies, particularly "chaebols like Hyundai," were reluctant to allow Japanese manufacturing into the ROK, and it was clear that Japan had no intention to open its agriculture market. The likely result was a better tone to the relationship but few substantive changes, for now.

¶2. (SBU) Standing at odds with Lee's forward thinking are several institutions in Korea, founded under the previous liberal administrations, which are specifically required to look at the past and bring to light details of Japan's relations with Korea throughout the 20th century. As public sentiment for Prime Minister Fukuda erodes in Japan and Korean think tanks continue to raise historical animosities, President Lee's and Prime Minister Fukuda's willingness to focus on the future will be strongly tested as they both work to reinvigorate the idea of shuttle diplomacy and closer cooperation. END SUMMARY.

LEE REACHES OUT TO JAPAN

¶3. (SBU) In Lee's inauguration speech, he said that "We will attach importance to our policy towards Asia. In particular, we will seek peace and mutual prosperity with our close neighbors, including Japan, China and Russia and promote further exchange and cooperation with them." Even prior to officially taking office, the president-elect sent his brother, National Assembly Vice Speaker Lee Sang-deuk to

Tokyo as his special envoy in January. The Japanese responded favorably and Prime Minister Fukuda accepted the invitation to attend Lee's inauguration in February. Lee also appointed then Ambassador to Japan Yu Myung-hwan as his Foreign Minister which is likely to keep Japan issues on the agenda with a sympathetic ear at the top of MOFAT.

14. (SBU) Following Lee's summit in Japan on April 21, Fukuda thanked the President for visiting Japan during his first overseas trip. "That shows President Lee's policy to prioritize his country's relations with Japan," Fukuda said. The two leaders agreed to restart "shuttle diplomacy" or reciprocal visits between the top leaders at least once a year. The agreement to hold these talks was suspended in 2005 when then Japanese Prime Minister Koizumi paid a visit to Yasukuni Shrine which prompted then South Korean President Roh to cancel his visit to Japan in protest. Following the April summit, Fukuda said that he wanted to "open a new era in Japan-South Korea relations" while President Lee stated "historical truth must not be ignored but we can no longer afford to give up future relations due to disputes over the past."

MOFAT'S VIEWS ON THE SUMMIT AND GOING FORWARD

15. (C) MOFAT's Director for the Japan Division, Joo Joon-chul, summarized Lee Myung-bak's approach toward Japan as one of avoiding confrontation and keeping public sentiment "subdued." After President Lee took office in February, Director Joo said that MOFAT began discussing ways to stabilize Korea's relationship with Japan. The conclusion was to work with Japan on less sensitive areas of mutual

concern (youth exchanges, economic agreements, energy cooperation) and avoid sensitive issues (Yasukuni Shrine visits, Liancourt Rocks territorial disputes, and Comfort Women). Joo said that problems with Japan arose in the past when Japanese politicians, namely the Prime Minister, would do or say something intended to garner support with domestic constituents while angering Koreans.

16. (C) According to Joo, Japan "urgently" requested that a resumption of Free Trade Agreement talks be included in the joint press statement following the April 21 summit. Korea agreed to discuss the possibility of reopening the stalled talks but did not commit to an official restart. Joo downplayed the substance of the Economic Partnership Agreement that was also introduced in the statement saying they intentionally did not strive for anything too ambitious in this part of the statement. Joo said ROK companies, especially chaebols, were against opening Korea to manufacturing companies from Japan, so FTA talks would not move fast.

17. (C) Joo said that Fukuda was likely to come to Seoul in September for the next summit meeting. In preparation for that meeting, MOFAT would work to draft a more comprehensive joint vision statement than the April 2008 statement. Former President Kim Dae-jung and Prime Minister Obuchi issued a joint statement following their 1998 summit in Japan. Since ten years had passed, Joo said it was a good time to reflect on the 1998 statement and evaluate what progress Korea had made over the past decade. Similarly, the statement that will come out of the September 2008 summit would likely spell out the vision for Korea and Japan ten years into the future.

JAPANESE VIEW OF THE FUTURE AFTER THE SUMMIT

18. (C) A political officer at the Japanese Embassy in Seoul shared MOFAT's assessment of the Japan-Korea summit as focused on strengthening economic bonds while avoiding discussion of historical and territorial issues. He said he expected the tone of relations to remain positive, noting that Lee Myung-bak was likely to have "thicker skin" than

President Roh allowing him to weather minor troubles when they would inevitably arise. President Roh was more concerned about supporting Korea's image in the world and felt he had to respond publicly when Japan made an affront to Korea. When an issue arose, the two sides would need to be careful to avoid politicizing the issue but rather manage the issue and avoid conflict. The political officer said Japan and Korea continued their efforts to discuss historical issues through the Korea-Japan Joint History Research Committee that was expected to issue their findings later this year. The results of this effort were far less important than the fact that the two groups were meeting together and learning to listen to one another. The process was the desired result.

NORTHEAST ASIA HISTORY FOUNDATION

¶9. (SBU) Standing in the way of President Lee's aspiration for closer ties to Japan are several historically focused think tanks. The ROKG-funded Northeast Asia History Foundation began in 2004, during Roh Moo-hyun's tenure, as the Goguryeo Project. The think tank was a direct response to the PRC's 2004 launching of the Northeast Project. In 2006, the Goguryeo Project combined with scholars on the Liancourt Rocks (Dokdo), Comfort Women, and other controversial "historical" issues to form the current Foundation. The Foundation's stated mission is to "establish a basis for peace and prosperity in Northeast Asia by confronting distortions of history that have caused considerable anguish in this region and the world at large, and developing a correct understanding of history through comprehensive long-term research and systematic and strategic policy development." The Foundation is organized into six divisions, each focusing on a different issue. The think tank employs 80 professors to conduct its research.

¶10. (SBU) Dr. Hong Myeon-ki from the Planning Division of the Foundation told us that his office is engaged in plans for

when Japan will next "provoke" Korea on one of the sensitive historical issues. According to Hong, the historical issues with Japan have strong ties with current issues and therefore it is only a matter of time before Japan brings them to the forefront again. Professor Yoon Hwi-tak from Hanyang National University, and a former Foundation researcher, also expressed his skepticism about the apparent warming relations between Japan and Korea. Looking at the past two administrations in Korea, both Kim Dae-jung and Roh Moo-hyun expressed a desire at the outset of their tenure to improve relations with Japan, Yoon said. Because of Japan's increasingly hard-line view toward China and Korea, Prime Minister Fukuda would not be able to continue along the current path to restart shuttle diplomacy and will eventually give in to public sentiment opposing Korea in some fashion.

COMPARISONS TO GERMANY

¶11. (SBU) Hong stated that Japan's role in the region will also be limited because of its refusal to address historical concerns. Drawing a comparison to post-war Germany, Hong said Germany's willingness to address its past atrocities allowed Germany to accede to its current level of leadership in the region and the world. For now, Japan preferred to use historical issues as a domestic political tool. When asked what he recommended Japan do to begin to address the past, Hong demurred but said that no one knows what Japan is thinking about the future of Northeast Asia. Are they interested in regional peace and security or only national security and economic growth?

¶12. (SBU) Yoon pointed out that Germany's reconciliation with the other European countries was facilitated by a foundation of shared Christian beliefs and cultural similarities; the same principles that supported the creation of the European

Union today. Another difference is that Japan was not defeated by an Asian country in World War II; it was the U.S. that handed Japan its defeat, not the ROK or China. Europe remains a community of democracies with similar living standards but Asia still has large gaps in the quality of life of its people and vast differences in their ideology, Yoon said. Japan's strong economic position makes it think it has nothing to learn from Asia.

MORE ATTENTION ON REGIONAL PEACE

¶13. (SBU) Hong expressed his hope to have more dialogue with the U.S. about regional peace and security issues noting that much work will be required well in advance of actually achieving lasting peace or security in the region. Even though everyone agreed that regional peace would only come after North Korea denuclearized, we should not wait for that event to occur to make plans for the future. Professor Yoon added that the Foundation was the only think tank in Korea that was looking at historical issues and therefore increased dialogue with all parties was essential to deal with historical issues that could inhibit successful organization of a regional peace mechanism.

SUGGESTION FOR A U.S. ROLE

¶14. (SBU) Hong asserted that the U.S. was likely to play a significant role in how and when North and South Korea conclude a peace agreement to officially end the Korean War. Despite the strong U.S.-Korea and U.S.-Japan alliances, Hong said many people in Asia questioned the U.S. motives in the region and whether the U.S. was only looking out for its own interests or was concerned about regional stability as well. As one possible suggestion, Hong offered that the U.S. could play the role of intermediary and work to bring experts together from Northeast Asia to begin discussing historical issues in more detail. Although academics from the region were already sharing ideas, there needed to be more exchange at the government level, Hong said. The U.S. was a party to historical events in the region and therefore it would be acceptable for it to play a role going forward as well.

JAPANESE COLLABORATORS LISTED

¶15. (SBU) On April 29, the Institute for Research in Collaborationist Activities, a private Seoul-based think tank released a list of Korea's top collaborators with Japan during its colonial rule of Korea from 1910-1945. The Institute said that 4,776 people were selected to be featured in three biographical dictionaries to be released in late August. The books will be an updated version of a 2005 listing of 3,096 collaborators. The publication committee was established in 2001 with 170 researchers and writers. Supported by private donations, the Institute said it raised USD 500,000 in 2004 after only ten days of fund raising. While liberal politicians, scholars and civic groups released statements of support for the publication, President Lee expressed regret at the renewal of the colonial era controversy. He also reconfirmed his intent to overhaul the nation's Truth Commission, established to investigate and reveal past wrongdoings noting that the previous administration had named the members of these committees. In a meeting with religious leaders on the April 29, Lee said "the merits and demerits of collaboration with Japan's colonial government should be seen with a balanced view."

COMMENT

¶16. (C) President Lee appears to be making a good-faith effort to reach out to Japan and look for common ground to

move forward and build relations. Lee's campaign promise to improve Korea's economic status relies heavily on attracting foreign investment, including from Japan. Even if President Lee is successful in injecting some conservatives into the historically-focused think tanks, it would take some time before these groups change their thinking about Japan and the past, if ever. Until then, President Lee is likely to face opposition from these groups who are eagerly awaiting a misstep from Japan so that they can once again justify their existence. As it seems that neither side is expecting to make progress on historical issues and will actively work to subdue public responses to provocations, there is reason to be hopeful for a quieter, more mature relationship under President Lee's Administration. Korea's ability to establish a more mature relationship with Japan may boil down to President Lee's personal ability to look to the future and not dwell on the past and convince the Korean people that this is in their interest as well.

VERSHBOW